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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/714,802

11/17/2003

Robert A. Cordery

F-650

2960

7590

03/09/2009

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EXAMINER

PRESTON, JOHN O

ART UNIT

PAPER NUMBER

3691

MAIL DATE

DELIVERY MODE

03/09/2009

PAPER

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**BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES**

Application Number: 10/714,802  
Filing Date: November 17, 2003  
Appellant(s): CORDERY ET AL.

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Brian A. Lemm  
For Appellant

**EXAMINER'S ANSWER**

This is in response to the appeal brief filed October 30, 2008 appealing from the Office action mailed June 24, 2008.

**(1) Real Party in Interest**

A statement identifying by name the real party in interest is contained in the brief.

**(2) Related Appeals and Interferences**

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

**(3) Status of Claims**

The statement of the status of claims contained in the brief is correct.

**(4) Status of Amendments After Final**

No amendment after final has been filed.

**(5) Summary of Claimed Subject Matter**

The summary of claimed subject matter contained in the brief is correct.

**(6) Grounds of Rejection to be Reviewed on Appeal**

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct. However, a new grounds of rejection is introduced as stated below.

**NEW GROUND(S) OF REJECTION**

***Claim Rejections - 35 USC § 101***

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

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2. Claims 1-14 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Regarding claims 1-14, as best understood, it appears that the claimed method steps could simply be performed by mental process alone and are not statutory. Based on Supreme Court precedent, a proper process must be tied to another statutory class or transform underlying subject matter to a different state or thing (*Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)). Since neither of these requirements is met by the claim, the method is not considered a patent eligible process under 35 U.S.C. 101. To qualify as a statutory process, the claim should positively recite the other statutory class to which it is tied, for example by identifying the apparatus that accomplished the method steps or positively reciting the subject matter that is being transformed, for example by identifying the material that is being changed to a different state. Claims 1-14 are directed towards steps of sorting, reading, separating, and scanning. Since the claims are directed to a process without including another statutory class of invention (i.e. machine, manufacture, or composition of matter), these claims fall within the scope of human intelligence alone, and are non-statutory.

### **(7) Claims Appendix**

The copy of the appealed claims contained in the Appendix to the brief is correct.

### **(8) Evidence Relied Upon**

6,059,185	FUNK et al	05-2000
5,734,568	BORGENDALE et al	03-1998
5,287,497	BEHERA	02-1994
3,949,363	HOLM	04-1976
6,574,377	CAHILL et al	06-2003

5,602,936	GREEN et al	02-1997
4,088,982	GREEN	05-1978
4,315,246	MILFORD	02-1982

## **(9) Grounds of Rejection**

The following ground(s) of rejection are applicable to the appealed claims:

### ***Claim Rejections - 35 USC § 101***

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1-14 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Regarding claims 1-14, as best understood, it appears that the claimed method steps could simply be performed by mental process alone and are not statutory. Based on Supreme Court precedent, a proper process must be tied to another statutory class or transform underlying subject matter to a different state or thing (*Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,787-88 (1876)). Since neither of these requirements is met by the claim, the method is not considered a patent eligible process under 35 U.S.C. 101. To qualify as a statutory process, the claim should positively recite the other statutory class to which it is tied, for example by identifying the apparatus that accomplished the method steps or positively reciting the subject matter that is being transformed, for example by identifying the material that is being changed to a different state. Claims 1-14 are directed towards steps of sorting, reading, separating, and

scanning. Since the claims are directed to a process without including another statutory class of invention (i.e. machine, manufacture, or composition of matter), these claims fall within the scope of human intelligence alone, and are non-statutory.

***Claim Rejections - 35 USC § 103***

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
  2. Ascertaining the differences between the prior art and the claims at issue.
  3. Resolving the level of ordinary skill in the pertinent art.
  4. Considering objective evidence present in the application indicating obviousness or nonobviousness.
- 
2. Claims 1-4, 6, 7, 9, 10, and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Funk (6,059,185) and in view of Borgendale (5,734,568).
- Claim 1:           With regard to the limitations of:

- *reading information from a check of the plurality of checks, the check being drawn against an account maintained by a customer at a financial institution,* Funk, in at least column 3, lines 48-50 discloses a reader that reads checking account information from a check.
- *sorting the check based on the sort order priority number obtained from the database,* Funk, in at least column 1, lines 45-50 discloses checks being sorted by bank or other designation according to transit and routing information.
- *repeating the reading, obtaining and sorting steps for each of the plurality of checks,* Funk, in at least column 1, lines 10-60 discloses a check processing procedure that involves multiple repetitive steps including reading, obtaining, and sorting.

However, Funk does not disclose the remaining limitations alone. In regard to the following limitation:

- *using at least a portion of the information read from the check, obtaining a sort priority order number for the check from a database, the sort priority order number being based on a delivery location specified by the customer for an account statement associated with the account;*

Funk, in at least column 3, line 60 to column 4, line 7 discloses a document identification number (DIN) located in the DIN database that is automatically generated for each processed check and may be composed of a combination of all or some of the data read from the check. In addition, Borgendale, in at least col. 1, lines 24-38 and col. 2, lines 50-65, teaches a system wherein an alphanumeric string is provided representing the city, state, and/or zip code for the intended destination of the mail piece.

It would have been obvious to one of ordinary skill in the art to combine the check sorting method cited in Funk with the technique as taught by Borgendale

because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately.

Claim 2: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. With regard to the limitation of *reading a routing number associated with the financial institution from the check*, Funk, in at least column 3, lines 45-55 discloses a reader that reads routing information on the check.

Claim 3: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. With regard to the limitation of *reading a number of the account upon which the check is drawn from the check*, Funk, in at least column 3, lines 50-55 discloses a checking account number being read from a check.

Claim 4: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. With regard to the limitation of *reading a check number from the check*, Funk, in at least column 3, lines 50-55 discloses a check number being read from a check.

Claim 6: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. With regard to the limitation of *the sort priority order number is further based on a type of account associated with the check*, Funk, in at least column 4, lines 1-10 discloses a document identification number that may be composed of a combination of all or some of the transaction data. Transaction data may include the type of account associated with the check.

Claim 7: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. With regard to the limitation of *the sort priority order number is further based on processing for the check specified by the customer*, Funk, in at least column 4, lines 1-10 discloses a document identification number that may be composed of a document sequence number.



Claim 9: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. With regard to the limitation of *wherein the sort priority order number is further based on an amount of the check*, Funk, in at least column 4, lines 1-10 discloses a document identification number that may be composed of a combination of all or some of the transaction data. Transaction data may include the amount of the check.

Claim 10: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. With regard to the limitation of *wherein the sort priority order number is further based on a payee of the check*, Funk, in at least column 4, lines 1-10 discloses a document identification number that may be composed of a combination of all or some of the transaction data. Transaction data may include a payee of the check.

Claim 13: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. With regard to the limitation of *using at least a portion of the information read from the check as a pointer to obtain the sort priority order number for the check from the database*, Funk further discloses in at least column 3, line 60 to column 4, line 5 a document identification number that may be comprised of information read from the check.

3. Claim 8 is rejected under 35 U.S.C. 103(a) as being unpatentable over Funk/Borgendale and in view of Behera (5,287,497).

Claim 8: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 7 above. However, Funk/Borgendale does not explicitly disclose the remaining limitation(s). With regard to the limitation of *wherein processing for the check includes whether or not the check will be included with the account statement associated with the account*, Behera, in at least col. 2, lines 7-15, teaches a system wherein check images are printed on the statement. It would have been

obvious to one of ordinary skill in the art to combine the check sorting method cited in Funk/Borgendale with the technique as taught by Behera because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately.

4. Claim 11 is rejected under 35 U.S.C. 103(a) as being unpatentable over Funk/Borgendale as applied to claim 1 above, and further in view of Holm (3,949,363).

Claim 11: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. Funk/Borgendale does not explicitly disclose the following limitations, but Holm, as shown, does:

- *placing the plurality of checks in a feeder* (See at least Holm: column 2, lines 53-55: a document feeder where checks are placed).
- *separating the check from the plurality of checks* (See at least Holm: column 2, lines 55-63: checks are moved serially in an uninterrupted line).
- *scanning the check to read the information* (See at least Holm: column 2, lines 55-58: checks are moved through a read module).

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Funk/Borgendale with the scanning technique of Holm because it greatly reduces the error rate and increases the efficiency involved with reading information from checks when they are placed in a feeder and scanned individually (See at least Holm: column 1, line 54 – column 2, line 25).

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5. Claim 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over Funk/Borgendale as applied to claim 1 above, and further in view of Cahill (6,574,377).

Claim 12: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. Funk/Borgendale does not explicitly disclose the limitation of *placing the check in an appropriate bin based on the sort order priority number*. However, Cahill, in at least Column 14, Lines 8-11, discloses checks being sorted based on information read from the check and deposited into pockets. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Funk/Borgendale with the sort technique of Cahill because it creates a more efficient method of handling the checks (See at least Cahill: column 5, lines 4-13).

6. Claim 14 is rejected under 35 U.S.C. 103(a) as being unpatentable over Funk/Borgendale as applied to claim 1 above, and further in view of Green (5,602,936).

Claim 14: Funk/Borgendale discloses the limitations as shown in the rejection of Claim 1 above. Funk/Borgendale does not explicitly disclose the limitation of *wherein the plurality of checks include separators*. However, Green, in at least Column 10, Lines 43-60, discloses the use of separators with sorted checks. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the sorting method of Funk/Borgendale with the use of separators by Green because the use of separators makes the sorting process cheaper and more efficient (See at least Green: column 1, line 53 – column 2, line 20).

7. Claims 15 and 16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cahill et al (6,574,377), and in view of Borgendale and further in view of De Leo (US 6,576,857 B1).

Claim 15: With regard to the limitations of:

- *a scanner module to read information from a check, (see Cahill, Fig. 3, Items 204, 205, and 206).*
- *a controller coupled to the scanner, the controller receiving the information read from the check by the scanner, (see Cahill, Fig. 3, Item 201)*
- *the controller obtaining the sort priority order number for the check from the database using at least a portion of the information read from the check, (see Cahill, Fig. 3, Item 201).*
- *a sorter coupled to the controller (see Cahill Fig. 3, Item 200),*
- *the sorter receiving the check from the scanner and placing the check into one of a plurality of bins based on the sort order priority number obtained from the database, Cahill, in at least column 12, lines 50-54 discloses a sorter that sorts checks to one of a plurality of pockets. Cahill, in at least column 18, lines 18-25, further discloses checks being sorted by the sorter based on the information read from the check.*

However, Cahill does not explicitly disclose the remaining limitations alone. In regard to the following limitation:

- *a database coupled to the controller, the database storing sort priority order numbers for the plurality of checks, the sort priority order number for each check being based on a delivery location specified by the respective customer for an account statement associated with the account maintained by the respective customer*

Cahill, in Fig. 3, Item 202, discloses a database coupled to a controller, the database storing data pertaining to a plurality of checks. In addition, Borgendale, in at least column 1 lines 24-38, teaches a system wherein a mailing address is scanned and converting into an alphanumeric string. It would have been obvious to one of ordinary skill in the art to combine the system cited in Cahill with the

mailing technique as taught by Borgendale because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately. Also, see at least De Leo, col. 1, lines 39-50, wherein De Leo teaches a system that performs a series of sort cycles based on criteria provided by the user. It would have been obvious to one of ordinary skill in the art to combine the system cited in Cahill with the sorting technique as taught by De Leo because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately.

Claim 16: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. With regard to the limitation of *wherein the controller is integral with the sorter*, Cahill, in at least column 12, lines 45-55, further discloses a sort station that includes a sorting machine and a controller.

8. Claims 17-22, 24 and 25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cahill/Borgendale/De Leo as applied to claim 15 above, and further in view of Funk.

Claim 17: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of *wherein the information read from the check includes a routing number*. However, Funk, in at least Column 3, Lines 50-55, discloses routing information being read from a check. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Cahill/Borgendale/De Leo with the use of routing information by Funk because using routing information found on a check is an efficient and cost-effective means of processing checks (See at least Funk: column 2, lines 24-35).

Claim 18: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of

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*wherein the information read from the check includes an account number.*

However, Funk, in at least Column 3, Lines 50-56, discloses a checking account number being read from a check. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the method of Cahill/Borgendale/De Leo with the technique of Funk because using checking account numbers to process checks is an efficient method for tracking checks (See at least Funk: column 2, lines 24-35).

Claim 19: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of *wherein the information read from the check includes a check number.* However, Funk, in at least Column 1, Lines 40-50, discloses a check number being included as the information read from a check. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Cahill/Borgendale/De Leo with the use of check numbers by Funk because the use of check numbers to process checks is an efficient method for tracking checks (See at least Funk: column 2, lines 24-35).

Claim 21: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of *wherein the sort order priority number is based on a type of account associated with the check.* However, Funk, in at least Column 3, Lines 65-67 and Column 4, Lines 1-7 discloses a document identification number that may be composed of a combination of all or some of the transaction data. The type of account associated with a check qualifies as transaction data. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Cahill/Borgendale/De Leo with the classification technique of Funk because classifying checks based on the type of account

associated with the check improves the utility and efficiency of the accounting process (See at least Funk: column 2, lines 24-35).

Claim 22: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of *wherein the sort order priority number is based on processing of the check*. However, Funk, in at least Column 3, Lines 60-67 and Column 4, Lines 1-7 discloses a document identification number that may be based on a document sequence number. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Cahill/Borgendale/De Leo with the classification technique of Funk because using a classification system that is based on the processing of the check itself is an efficient method for tracking checks (See at least Funk: column 2, lines 24-35).

Claim 24: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of *wherein the sort order priority number is based on an amount of the check*. However, Funk, in at least Column 3, Lines 58-76 and Column 4, Lines 1-10, discloses a document identification number that may be composed of a combination of all or some of the transaction data. The amount of a check qualifies as transaction data. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Cahill/Borgendale/De Leo with the classification technique of Funk because processing checks based on the check amount is an efficient method for tracking checks (See at least Funk: column 2, lines 24-35).

Claim 25: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of *wherein the sort order priority number is based on a payee of the check*.

However, Funk, in at least Column 3, Lines 63-67 and Column 4, Lines 1-7 discloses a document identification number that may be composed of a combination of all or some of the transaction data. The payee of the check qualifies as transaction data. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Cahill/Borgendale/De Leo with the classification technique of Funk because using the payee of the check as a descriptive identifier for each processed check adds utility and efficiency to the accounting process (See at least Funk: column 2, lines 24-35).

9. Claim 23 is rejected under 35 U.S.C. 103(a) as being unpatentable over Cahill/Borgendale/De Leo/Funk as applied to claim 22 above, and further in view of Funk.

Claim 23: Cahill/Borgendale/De Leo/Funk discloses the limitations as shown in the rejection of Claim 22 above. Funk further discloses the limitation of *wherein processing of the check includes whether or not the check will be included with a statement associated with the check*. Funk, in at least Column 4, Lines 58-62, discloses the process of sorting checks to be submitted with a statement. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Cahill/Borgendale/De Leo with the processing technique of Funk because processing a check based on its submission with an associated statement is an efficient method of ensuring the accuracy of the accounting process (See at least Funk: column 2, lines 24-35).

10. Claim 26 is rejected under 35 U.S.C. 103(a) as being unpatentable over Cahill/Borgendale/De Leo as applied to claim 15 above, and further in view of Haas (4,088,982).

Claim 26: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of a



*feeder module coupled to the scanner module, the feeder module receiving the plurality of checks and feeding the plurality of checks seriatim to the scanner module.* However, Haas (Column 3, Lines 35-36) discloses "A feeder holds a stack of checks and feeds them serially to an error-indicating character reader...". It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the check sorting method of Cahill/Borgendale/De Leo with the input technique of Haas because incorporating a feeder helps to automate the check sorting process and make it more efficient (See at least De Leo: column 2, lines 30-35).

11. Claims 27 and 28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cahill/Borgendale/De Leo as applied to claim 15 above, and further in view of Milford (4,315,246).

Claim 27: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of *wherein the scanner module is a magnetic ink character recognition scanner.* However, Milford (Column 1, Lines 7-15) discloses a character recognition system that employs magnetic ink character recognition. It would have been obvious to one of ordinary skill in the art to combine the check sorting method cited in Cahill/Borgendale/De Leo with the character recognition technique as taught by Milford because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately.

Claim 28: Cahill/Borgendale/De Leo discloses the limitations as shown in the rejection of Claim 15 above. Cahill/Borgendale/De Leo does not disclose the limitation of *wherein the scanner module is an optical character recognition scanner.* However, Milford (Column 1, Lines 7-15) discloses a character recognition

system that employs optical character recognition. It would have been obvious to one of ordinary skill in the art to combine the check sorting method cited in Cahill/Borgendale/De Leo with the character recognition technique as taught by Milford because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately.

### **(10) Response to Argument**

A. The subject matter defined in claims 1-4, 6,7,9,10, and 13 is not obvious over Funk et al. (US 6,059,185) in view of Borgendale (US 5,734,568)

Applicant argues that there is no disclosure, teaching or suggestion in Funk of a sort priority order number that is based on a delivery location specified by the customer for an account statement associated with the account. Applicant further argues that there is no disclosure, teaching or suggestion in Borgendale of “obtaining a sort priority order number for the check from a database, the sort priority order number being based on a delivery location specified by the customer for an account statement associated with the account”, and that the combination of Funk and Borgendale does not make the invention as recited in claim 1 obvious.

As an initial matter, the Examiner asserts the combination of Funk and Borgendale discloses all the elements of claims 1-3, 6, 7, 9, 10 and 13. It is noted that the Examiner did not rely on Funk, but rather, relied on Borgendale to suggest the limitation of obtaining a sort priority order number for the check from a database, the sort priority order number being based on a delivery location specified by the customer for an account statement associated with the account. Although Borgendale does not use the term “sort priority order number”, Borgendale clearly teaches an alphanumeric string based on a delivery location specified by the customer and generated from a database (Borgendale: col 10, line 46 – col 11, line 25. In the case of Borgendale, the customer is the person sending the mail piece). In Borgendale, a digital image of the addressee’s name,

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street name, street number, and zip code is captured (Borgendale: col 3, lines 55-65). Then, a character recognition operation is performed on the image to identify the delivery location of the mail piece (Borgendale: col 3, lines 60-67). If the operation is successful, the alphanumeric string is combined with a serial number used to identify the mail piece in an electronic mail piece folder and stored in memory (Borgendale: col 4, lines 1-20; Fig. 2). If the operation cannot successfully discern the characters in the digital image, an operator assist mode is employed, which allows an operator to view the digital image to type in the missing information with the aid of a contextual predictive keying program that accesses an addressee record database and fills in the missing information with minimal input from the operator (Borgendale: col 4, line 60 - col 5, line 30).

Borgendale teaches a method of combining information obtained from a document with information obtained from a database to generate a location-specific identification for the document based on a delivery location specified by the customer. Combining the method of generating a location-specific identification in Borgendale with the sorting method taught by Funk would provide a method of sorting documents (including checks) based on their delivery location. Instead of relying solely on the document identification number disclosed in Funk (Funk: col 3, lines 60-67), the sorting method disclosed in Funk could use the location-specific identification supplied in Borgendale to further sort checks beyond the financial institution level to the individual addresses of the account holders. Therefore, Examiner asserts that it would have been obvious to a person having ordinary skill in the art to combine the check sorting system and method of Funk with the location-specific identification method in Borgendale because Applicant's claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately.

B. The subject matter defined in claim 8 is not obvious over Funk et al. in view of Borgendale and further in view of Behera (US 5,287, 497).

Applicant argues that claim 8 is patentable based upon the patentability of claim 1. Examiner disagrees. For the reasons stated above, claim 1 is not patentable in its current form. Therefore, Applicant's argument is without merit, and the rejection of claim 8 should be sustained.

C. The subject matter of claim 11 is not obvious over Funk et al. in view of Borgendale and further in view of Holm (US 3,949, 363).

Applicant argues that claim 11 is patentable based upon the patentability of claim 1. Examiner disagrees. For the reasons stated above, claim 1 is not patentable in its current form. Therefore, Applicant's argument is without merit, and the rejection of claim 11 should be sustained.

D. The subject matter of claim 12 is not obvious over Funk et al. in view of Borgendale and further in view of Cahill et al. (US 6,574,377).

Applicant argues that claim 12 is patentable based upon the patentability of claim 1. Examiner disagrees. For the reasons stated above, claim 1 is not patentable in its current form. Therefore, Applicant's argument is without merit, and the rejection of claim 12 should be sustained.

E. The subject matter of claim 14 is not obvious over Funk et al. in view of Borgendale and further in view of Green (US 5,602,936).

Applicant argues that claim 14 is patentable based upon the patentability of claim 1. Examiner disagrees. For the reasons stated above, claim 1 is not patentable in its current form. Therefore, Applicant's argument is without merit, and the rejection of claim 14 should be sustained.

F. The subject matter of claims 15 and 16 is not obvious over Cahill et al. (US 6,574, 377) in view of Borgendale and further in view of DeLeo (US 6,576,857).

Applicant argues that there is no disclosure, teaching, or suggestion in Cahill et al, Borgendale, or DeLeo, either alone or in combination, of "a database coupled to the controller, the database storing sort priority order numbers for the plurality of checks, the sort priority order number for each check being based on a delivery location specified by the respective customer for an account statement associated with the account maintained by the respective customer, the controller obtaining the sort priority order number for the check from the database using at least a portion of the information read from the check; and a sorter coupled to the controller, the sorter

receiving the check from the scanner and placing the check into one of a plurality of bins based on the sort priority order number obtained from the database” as recited in claim 15. Examiner disagrees.

Cahill clearly discloses "a scanner module to read information from a check" (Cahill: Fig. 3, items 204-206; col 14, lines 1-15; col 14, lines 30-40); "a controller coupled to the scanner, the controller receiving the information read from the check by the scanner" (Cahill: Fig. 3, item 201); "the controller obtaining the sort priority order number for the check from the database using at least a portion of the information read from the check" (Cahill: Fig. 3, item 201; col 14, lines 5-45); "a sorter coupled to the controller" (Cahill: Fig. 3, item 200; col 14, lines 5-45); "a database coupled to the controller" (Cahill: Fig. 3, item 202; col 14, lines 5-45); the sorter receiving the check from the scanner and placing the check into one of a plurality of bins based on the sort priority order number obtained from the database (Cahill: col 12, lines 50-54; col 18, lines 18-25). In regards to claim 16, Cahill also suggests a controller integral with the sorter (Cahill: col 12, lines 45-55).

Borgendale teaches a system wherein a mailing address is scanned and converted into an alpha numeric string (Borgendale: col 1, lines 24-38). This is analogous to Applicant's limitation of a database storing sort priority order numbers for the plurality of checks, the sort priority number for each check being based on a delivery location specified by the respective customer for an account statement associated with the account maintained by the respective customer. Furthermore, De Leo suggests sorting mail into several outputs (De Leo: col 1, lines 39-50). It would have been obvious to one having ordinary skill in the art to combine the elements cited in Cahill with the elements cited in Borgendale and De Leo because the claimed invention is merely a combination of old elements, and in the combination each element would have performed the same function as it did separately.

Applicant describes claim 15 as a system, but listed several limitations that did not further limit the structure of claim 15. For example, Applicant describes the type of data that the claimed system stores in the database as well as the intended use of the scanner module, the sorter, and the

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controller. Although the prior art cited makes these limitations obvious under Section 103, Examiner asserts that the non-structural limitations and intended uses disclosed in claim 15 should be interpreted as not having patentable weight.

Therefore, Examiner asserts that the cited prior art in Cahill, Borgendale, and De Leo does indeed make the claimed invention obvious under Section 103 and requests that the rejection of claim 15 be sustained.

G. The subject matter of claims 17-25 is not obvious over Cahill et al. in view of Borgendale and DeLeo and further in view of Funk et al.

Applicant argues that claims 17-25 are patentable based upon the patentability of claim 15. Examiner disagrees. For the reasons stated above, claim 15 is not patentable in its current form. Therefore, Applicant's argument is without merit, and the rejection of claims 17-25 should be sustained.

H. The subject matter of claim 26 is not obvious over Cahill et al. in view of Borgendale and DeLeo and further in view of Haas (US 4,088,982).

Applicant argues that claim 26 is patentable based upon the patentability of claim 15. Examiner disagrees. For the reasons stated above, claim 15 is not patentable in its current form. Therefore, Applicant's argument is without merit, and the rejection of claim 26 should be sustained.

I. The subject matter of claims 27 and 28 is not obvious over Cahill et al. in view of Borgendale and DeLeo and further in view of Milford (US 4,315,246).

Applicant argues that claims 27 and 28 are patentable based upon the patentability of claim 15. Examiner disagrees. For the reasons stated above, claim 15 is not patentable in its current form. Therefore, Applicant's argument is without merit, and the rejection of claims 27 and 28 should be sustained.

## **(11) Related Proceeding(s) Appendix**

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

This examiner's answer contains a new ground of rejection set forth in section **(9)** above. Accordingly, appellant must within **TWO MONTHS** from the date of this answer exercise one of the following two options to avoid *sua sponte* **dismissal of the appeal** as to the claims subject to the new ground of rejection:

**(1) Reopen prosecution.** Request that prosecution be reopened before the primary examiner by filing a reply under 37 CFR 1.111 with or without amendment, affidavit or other evidence. Any amendment, affidavit or other evidence must be relevant to the new grounds of rejection. A request that complies with 37 CFR 41.39(b)(1) will be entered and considered. Any request that prosecution be reopened will be treated as a request to withdraw the appeal.

**(2) Maintain appeal.** Request that the appeal be maintained by filing a reply brief as set forth in 37 CFR 41.41. Such a reply brief must address each new ground of rejection as set forth in 37 CFR 41.37(c)(1)(vii) and should be in compliance with the other requirements of 37 CFR 41.37(c). If a reply brief filed pursuant to 37 CFR 41.39(b)(2) is accompanied by any amendment, affidavit or other evidence, it shall be treated as a request that prosecution be reopened before the primary examiner under 37 CFR 41.39(b)(1).

Extensions of time under 37 CFR 1.136(a) are not applicable to the TWO MONTH time period set forth above. See 37 CFR 1.136(b) for extensions of time to

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reply for patent applications and 37 CFR 1.550(c) for extensions of time to reply for ex parte reexamination proceedings.

Respectfully submitted,

/John O Preston/

Examiner, Art Unit 3691

/Alexander Kalinowski/

Supervisory Patent Examiner, Art Unit 3691

**A Technology Center Director or designee must personally approve the new ground(s) of rejection set forth in section (9) above by signing below:**

/Wynn W. Coggins/

Group Director, TC 3600

Conferees:

/A. K./

Supervisory Patent Examiner, Art Unit 3691

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